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OPERATOR OF A ROSEVILLE MARIJUANA DISPENSARY PLEADS GUILTY TO DRUG CONSPIRACY AND MONEY LAUNDERING

SACRAMENTO, Calif.—United States Attorney McGregor W. Scott announced today that RICHARD MARINO, 54, formerly of Newcastle, Calif., entered a guilty plea before United States District Judge Lawrence K. Karlton today to conspiracy to distribute marijuana and money laundering.

This case is the product of a joint investigation by the Drug Enforcement Administration and Internal Revenue Service - Criminal Investigations Division.

According to the plea agreement, MARINO's business, Capitol Compassionate Care (CCC), had the overt, nearly exclusive purpose of selling marijuana with gross sales amounting to \$2,275,849 between February 3, 2004 and August 31, 2004.

On September 3, 2005, federal agents executed a search warrant on CCC and MARINO's residence in Newcastle. The agents seized approximately 3,022 grams of hashish, approximately 18,805 grams of processed marijuana, 617 live marijuana plants (364 at CCC and 253 at the residence), and \$105,000 (at CCC). The agents also seized and examined CCC's business records and interviewed persons with personal knowledge of how CCC operated.

According to Assistant United States Attorney William Wong, the lead prosecutor on this case, records showed that CCC sold about 482 pounds of marijuana under brand names such as "AK-47," "Chernobyl," "High Lander," "Romulin," and "Trainwreck." Detailed business

records seized from CCC reflect CCC's purchase of at least 192,431.6 grams of marijuana for an approximate total of \$1,558,604. Partially completed records indicate CCC purchased an additional 32,807.7 grams of marijuana.

CCC business records also show that MARINO caused CCC to pay over \$150,000 towards dry cleaning, outside dining, apartment rental payments, a housekeeper, loan payments for a residence that was used to grow marijuana, a down payment for that residence, improvements to the residence, and payments on personal credit cards.

MARINO is scheduled to be sentenced by Judge Karlton on July 22, 2008 at 9:30 a.m. The maximum statutory penalty MARINO faces for the drug conspiracy is 40 years and the maximum penalty MARINO faces for the money laundering is 10 years. The plea agreement provides for a sentence between 42 months and five years in prison. The actual sentence, however, will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables and any applicable statutory sentencing factors.

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